

## Tri-State Comments on CAISO and PacifiCorp EIM

Tri-State Generation and Transmission Association, Inc. (Tri-State) would like to thank the CAISO and PacifiCorp for the opportunity to comment on the EIM proposal. Tri-State recognizes the challenges associated with the development of an EIM market of this size and diversity and appreciates the effort to make this a well vetted and stakeholder involved process. We look forward to working with PacifiCorp to make the transition to an EIM as smooth and efficient as possible.

Tri-State makes the following comments:

While Tri-State believes the stakeholder process has been well handled to this point, we urge the CAISO and PacifiCorp to use caution with the aggressive proposed schedule. Dealing with the details could be a time consuming endeavor, but will go a long way in determining the success of an EIM. Continuing to get stakeholder input and developing strategic analysis seems to be the most prudent road to success, even if that takes longer to implement.

There needs to be a transmission charge and loss assessment associated with the transmission usage associated with EIM transactions, and applying a transmission charge and loss assessment for use of the transmission system is consistent with the FERC's Pro-forma OATT. The CAISO's third straw proposal discusses that while a transmission owner's revenue requirement will be recovered in the first year, there will be no transmission charge for EIM intra-hour optimization. If non-transmission customers are using the system without paying for transmission or losses, then the existing network service transmission customers are subsidizing the EIM participants and their transactions. Additionally, as several other stakeholders have noted, the straw proposals to date do not address the compensation of transmission usage to non-EIM participants whose transmission system may be utilized in order for the EIM transactions to occur.

Tri-State would like to more fully understand how the EIM intra-hour resource optimization will be coordinated with the Reliability Coordinator with regards to congestion management and specifically its operation of the UFAS procedures. We are concerned that this re-dispatch of EIM resources could cause additional congestion to qualified paths both internal and external to the EIM footprint, and the congestion would potentially be mitigated by others external to EIM transactions through UFAS or ECC curtailments. We would like to better understand the proposed tagging requirements, and how any EIM transactions contributing to unscheduled flow of internal or external qualified paths will be identified and curtailed prior to WECC UFAS procedures necessitating curtailment of any tagged schedules (internal or external to the EIM footprint) of a higher priority. We look forward to further details on how this will be handled.

Tri-State looks forward to working with the CAISO and PacifiCorp to analyze the benefits and risks of an EIM. We will continue to monitor and engage, earnestly, in the EIM process as an interested stakeholder.

